



Fact Sheet

U.S. Department of Agriculture
Foreign Agricultural Service

WTO and Agriculture What's at Stake for Illinois

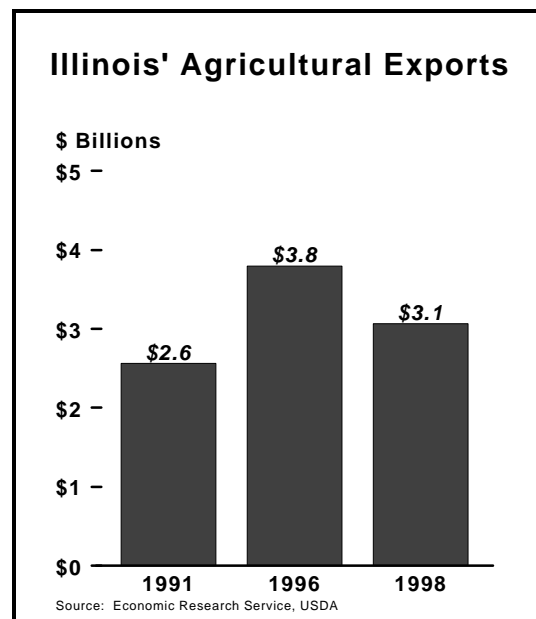
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Illinois is a leading producer of agricultural products and a major exporter. Forest products are also important. The state's farm cash receipts and solid wood industry shipments totaled \$7.7 billion in 1998 and \$1.1 billion in 1996, respectively. Illinois ranked 3rd among all 50 states in 1998 with agricultural exports estimated at \$3.1 billion. These exports help boost farm prices and income, while supporting about 47,100 jobs both on the farm and off the farm in food processing, storage, and transportation. Exports are increasingly important to Illinois' agricultural and state-wide economy. Measured as exports divided by farm cash receipts, the state's reliance on agricultural exports has risen from 34 to 40 percent since 1991.

Illinois' top five agricultural exports in 1998 were:

- # soybeans and products -- \$1.4 billion
- # feed grains and products -- \$916 million
- # live animals and red meats -- \$241 million
- # wheat and products -- \$161 million
- # feeds and fodders -- \$90 million

World demand is increasing, but so is competition among suppliers. If Illinois farmers, ranchers, and food processors are to compete successfully for the export opportunities of the 21st century, they need *fair trade* and *fair access* to growing global markets.



Illinois Benefits From Trade Agreements

- # Illinois, the nation's second largest feed corn producer, continues to benefit under the Uruguay Round as Japan increases its 3.75-million-ton zero duty quota for feed corn by 450,000 tons in 2000. South Korea is lowering its in-quota tariff on feed corn and popcorn from 3 to 1.8 percent from 1995 to 2005. Korea will also reduce tariffs on mixed animal feeds from 7 to 4.2 percent
- # The nation's second largest soybean producer, Illinois benefits under the Uruguay Round as Japan reduces its tariffs on soybean oil by 36 percent by 2000.
- # Illinois, with one of the largest hog industries, benefits under the Uruguay Round as EU export subsidies for pork are cut 21 percent (volume) by 2000. Korea eliminated all volume restrictions for frozen pork, and the 33-percent tariff will fall to 25 percent by 2004. Japan is

reducing its minimum import price for pork 29 percent by 2000.